



FEDERAL ELECTION COMMISSION
WASHINGTON, D C 20463

G. Allen Dale, Esq.
601 Pennsylvania Avenue, N.W.
Suite 900, North Building
Washington, D.C. 20004

JUL 26 2007

RE: MUR 5772
Kenneth Phelps

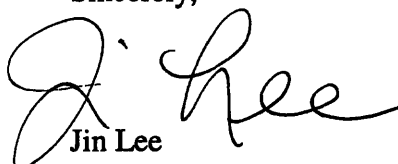
Dear Mr. Dale:

On July 17, 2007, the Commission voted to accept the addendum, which was signed by Mr. Phelps and included provisions conciliating civil violations of the Federal Election Campaign Act of 1971, as amended. On July 20, 2007, the court accepted the addendum as part of the plea agreement in *United States v. Phelps*, 1:07-CR-00102-PLF. The file has been closed in this matter.

Documents related to the case will be placed on the public record within 30 days. See Statement of Policy Regarding Disclosure of Closed Enforcement and Related Files, 68 Fed. Reg. 70,426 (Dec. 18, 2003). Information derived in connection with any conciliation attempt will not become public without the written consent of the respondent and the Commission. See 2 U.S.C. § 437g(a)(4)(B).

If you have any questions, please contact me at (202) 694-1530.

Sincerely,


Jin Lee
Attorney

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MP/KP

5. Pursuant to 2 U.S.C. § 437g(a)(5)(B), the FEC may seek a civil penalty for knowing and willful violations of 2 U.S.C. §§ 432(b)(3), (c)(5); 434(b)(4), (6)(B)(v), and 11 C.F.R. § 104.3(b), of up to 200 percent of any contribution or expenditure involved in such violation. In light of the financial circumstances of the Defendant and his entering into the terms of the Plea Agreement, including paragraph ¹⁹~~22~~, the FEC seeks no civil penalty. However, Defendant is prohibited from working or volunteering in federal political campaigns in a capacity involving a committee's finances or disclosure reports for a period of 10 years from the date of the Plea Agreement.

FOR THE DEFENDANT



Kenneth D. Phelps

4/25/2007

FOR THE FEDERAL ELECTION
COMMISSION

THOMASENIA P. DUNCAN
General Counsel

By:


ANN MARIE TERZAKEN
Acting Associate General Counsel
for Enforcement
Federal Election Commission

7/18/07